R E M A R K S

- Claims **15, 18, and 26-34** were pending in the present application
- Claims **15, 18, and 26-34** stand rejected

Upon entry of this amendment, which is respectfully requested for the reasons set forth below:

- Claims **15, 18, and 26-34** will be pending
- Claims **15 and 18** will be the only independent claims

Telephone Interview

Applicants would like to thank the Examiner for the helpful telephone conversation held on March 26, 2002 with Applicants' representatives. The Examiner and Applicants' representatives discussed the present application in light of the Vizcaino.

Applicants' representatives stated that the Vizcaino reference does not teach or suggest a feature generally directed to *a second account identifier...for use in place of a first account identifier*, as recited in each of independent Claims **15 and 18**.

The Examiner requested that Applicants discuss the above statement in these remarks.

While no formal agreement was reached, Applicants are grateful for the opportunity to discuss the present application with the Examiner.

Objection to the Specification

The Examiner objected to an informality in the specification. At page 18, line 4, "step 908" has been correctly replaced with "step 907." No new matter has been added. Applicants respectfully request withdrawal of the Examiner's objection.

Section 102(b) and Section 103(a) Rejections

Claims **15, 18, and 27-31** stand rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 5,317,636 issued to Vizcaino ("Vizcaino"). Applicants respectfully traverse the Examiner's Section 102(b) rejection.

Claims **26 and 32-34** stand rejected under 35 U.S.C. 103(a) as being unpatentable over Vizcaino. Applicants respectfully traverse the Examiner's Section 103(a) rejection.

As discussed with the Examiner during the telephone conversation, Applicants respectfully submit that Vizcaino does not teach or suggest a feature generally directed to *a second account identifier...for use in place of a first account identifier*, as recited in each of independent Claims **15 and 18**. Accordingly, Vizcaino does not teach or suggest all of the features of any of Claims **15, 18, and 26-34**.

96-059-C1 RS 01.07.02

Independent Claims 15 and 18

The Examiner asserts that the "verification number" of the Vizcaino system teaches a second account identifier for use in place of a first account identifier. Applicants respectfully traverse this assertion. <u>Specifically, the "verification number" of Vizcaino (i) does not identify an account, nor is it (ii) for use in place of a first account identifier.</u>

1.   <u>"Verification number" does not identify an account</u>

As discussed with the Examiner during the telephone conversation, the Examiner does not assert that the "verification number" of Vizcaino identifies an account, merely that the "verification number is generated and used in the authorization of each different credit card transaction." Applicants respectfully submit that the "verification number" does not teach or suggest *a second account identifier*.

2.   <u>"Verification number" is not for use in place of a first account identifier</u>

Further, as discussed with the Examiner during the telephone conversation, the "verification number" of Vizcaino does not teach or suggest a second account identifier for use **in place of** a first account identifier. In fact, the "verification number" is described as being used <u>in addition to</u> a required account identifier: "More particularly, as shown in FIG. 2A, <u>after</u> <u>operator 102 is required to provide account number 24</u>, operator 102 is then required to provide verification number 44, in order to have the transaction authorized by computer 80." Column 13, lines 19-28 (emphasis added).

Vizcaino also describes how "the clerk, or operator 102 in FIG. 4, could enter the account number 24 into station 104.... As in the previous example, <u>after account verification</u>, computer 80 requests verification number 44...." Column 16, lines 40-50 (emphasis added).

Thus, Vizcaino cannot suggest the use of the "verification number" in place of an account identifier if the "verification number" is not even requested until after the account is identified using the <u>required</u> "account number."

Further, Vizcaino is devoid of any suggestion of *a second account identifier*, much less *a second account identifier for use in place of a first account identifier*. As described in Vizcaino, "account number 24 is card holder unique and is used by the issuer of the card to identify a particular card holder's account." Column 4, lines 7-9. "<u>Computer 80 then calls up account file</u> <u>86 in response to the provision of account number 24, and will thereby have access to all of the</u> <u>data in account 86.</u>" Column 12, lines 41-43 (emphasis added). As the <u>required</u> "account number" alone provides access to all of the account data, there is no hint or suggestion of a second account identifier, much less a second account identifier for use in place of the "account number."

Thus, Vizcaino does not teach or suggest a feature generally directed to *a second account identifier...for use in place of a first account identifier*, as recited in each of independent Claims **15 and 18**.

-4-

96-059-C1 RS 01.07.02

Claim 27

Applicants respectfully request that the Examiner clarify the statement that "Vizcaino discloses that the processing unit (82) is associated with a merchant (a station at a retail store)." As Applicants understand FIG. 4, the "processing unit 82" is described as being included in "computer 80," not a "merchant" or "station 104." Accordingly, Applicants respectfully submit that the "processing unit 82" does not teach or suggest a feature of *wherein the processing unit is associated with a merchant*, as recited in Claim **27**.

Claim 34

For at least the reasons stated above with respect to independent Claims **15 and 18**, Applicants respectfully submit that the "verification number" described in Vizcaino does not teach or suggest an identifier, much less an account identifier, much less a feature *wherein the second account identifier comprises a sixteen-digit identifier*, as recited in Claim **34**. Accordingly, Applicants respectfully traverse the Examiner's assertion that a sixteen-digit account identifier is "a matter of obvious design choice."

Conclusion

It is submitted that all of the claims are in condition for allowance. The Examiner's early re-examination and reconsideration are respectfully requested.

Please charge any fees that may be required for this Amendment to <u>Deposit Account No. 50-0271</u>. Furthermore, should an extension of time be required, please grant any extension of time which may be required to make this Amendment timely, and please charge any fee for such an extension to <u>Deposit Account No. 50-0271</u>.

If the Examiner has any questions regarding this amendment or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 461-7292 or via electronic mail at mdowns@walkerdigital.com.

Respectfully submitted,

<u>April 8, 2002</u>
Date

Michael Downs
Attorney for Applicants
Registration No. 50,252
mdowns@walkerdigital.com
Walker Digital, LLC
Five High Ridge Park
Stamford, CT 06905-1326
(203) 461-7292 /voice
(203) 461-7300 /fax

96-059-C1 RS 01.07.02

AMENDMENT

Marked-Up Version

Please amend the above-identified application as follows:

IN THE SPECIFICATION:

Please **REPLACE** the paragraph starting at page 17, line 26 as follows:

To verify the card number, the credit card issuer's central processor first extracts the encrypted nonce C, the initialization variable IV, and account number A from the credit card number (step 902). The processor then retrieves the extracted account number from the cardholder account database 411 (step 903), and determines whether the account number is valid (step 904). If the account number is not valid, the transaction is aborted (step 905). If the account number is valid, the processor looks up the account number in the credit card transaction database 413 to determine whether the card holder has previously used the initialization variable IV (step 906). If the cardholder has done so, the transaction is aborted (step [908] 907). If the initialization variable has not been used, the incremented initialization variable is stored in the credit card transaction database 413 (step 908).

96-059-C1 RS 01.07.02